From: Lori Petre [LPETRE@eppconsulting.com]

Sent: Thursday, August 18, 2005 3:41 PM

To: AHCCCS Outpatient Hospital Fee Schedule; Petre, Lori

Subject: RE: out patient cost to charge ratio payment after 7/1/05, #354

Any plan that did not go live on the 7/1 implementation date must continue to pay default claims for dates of service prior to their implementation date under the former methodology. Please let us know if you have further questions.

Lori Petre EP&P Consulting, Inc.

From: AHCCCS Outpatient Hospital Fee Schedule [mailto:AHCCCSOutpatientHospitalFeeSchedule@ahcccs.

state.az.us]

Sent: Thursday, August 18, 2005 3:23 PM

To: Lori Petre; Petre, Lori

Subject: FW: out patient cost to charge ratio payment after 7/1/05, #354

This has been logged in the AHCCCS Outpatient Workgroup Log as Action Item #354. Please send your response to the AHCCCS Outpatient Hospital Fee Schedule Workgroup email address so it can be formatted and the response emailed back accordingly. Thank you!

-----Original Message-----

From: Denise Duncan [mailto:denise.duncan@advancedreimbursement.com]

Sent: Thursday, August 18, 2005 10:22 AM

To: AHCCCSOutpatientHospitalFeeSchedule@ahcccs.state.az.us

Cc: Sally Carrell; Anna Misquez

Subject: out patient cost to charge ratio payment after 7/1/05

Good morning,

I need a little clarification on the payment methodology for out patient claims after 7-1-05. Mercy Care Plan did not go live until 8/1/05 and I need to confirm how they should be paying out patient for the month of July. Would they pay at their contracted cost to charge ratio that has been in effect since 10/1/04 or will it change to the .3192 rate effective 7-1-05?. Would this also effect any other contracted plan that has not gone live with new methodology.

Denise Duncan

Reimbursement Specialist

Advanced Reimbursement Management

Office: (602) 682-9731 Fax: (602) 285-0229 Cell: (602) 818-2500

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